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12 May 1965

MEMORANDUM FOR: Director of Central Intelligence

**SUBJECT: Background Briefing for DCI Discussion
with Mr. Clifford**

A. The PFIAB Relations with the NRO.

1. The President's Board has been actively interested in the Agency's role in national reconnaissance and in scientific and technical matters generally. Members of this and the predecessor board were influential in obtaining the original Presidential decision, allocating the developmental and operational responsibility for the U-2 to CIA; were a strong factor in Mr. McCone's decision to expand CIA's competence in the scientific and technical field generally; and have been active supporters in principle of the importance of continuing CIA as an active participant in the National Reconnaissance Program. As evidence accumulated of difficulties and conflicts arising out of the operation of the Program under the McCone/Gilpatrick agreement of March 13, 1963, the PFIAB undertook a study of the National Reconnaissance Program, conducted by a subcommittee under the chairmanship of Dr. William Baker. The subcommittee's report was adopted by the Board and forwarded to Mr. Bundy on May 22, 1964. In essence it concludes:

a. That the NRP must be conducted as a national effort "through a joint endeavor on the part of DOD, CIA and USIB."

b. That the DCI has a large and important role in the establishment of intelligence requirements and that under his

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completed.



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leadership USIB must provide the necessary base for scheduling and targeting reconnaissance missions.

c. That fuller use should be made of the potential of CIA in the research field, recognizing that the Agency "has assembled a nucleus of scientific and technological talent . . . which can be brought to bear in introducing more effective means for the collection . . . of intelligence data."

d. Effective development and conduct of the NRP requires that it be a streamlined operation under strong centralized management and control within DOE.

2. Presumably in the interest of streamlining the mechanism for control of the program, the Board report recommends the establishment of a Director, NRO, responsible solely to the Secretary of Defense, who in effect is given exclusive authority for all aspects of the program including direct supervision over subordinate elements of CIA who may be involved in the execution of the program.

3. Mr. McCone, on June 11, filed a rather comprehensive memorandum with Mr. Bundy in which exception was taken to the organizational proposals of the Board's report and which enunciated two basic principles which should govern the organizational arrangements for the NRO. Subsequent to June of 1964, Mr. McCone had a number of discussions with the Board, the most recent of which was approximately a month ago. At this meeting, Mr. McCone advised the Board that he and the Secretary of Defense were in the process of negotiating a new agreement and described at some length the organizational chart and explanatory memorandum which he had submitted to the Secretary of Defense, and which had been the subject of discussions with Mr. Vance. The provisions of this memorandum are substantially identical to the terms of the draft agreement submitted by the DCI to the Secretary of Defense on 27 April 1965.

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4. It is perhaps relevant that:

a. Individual members of the Board have indicated their lack of agreement with the specific organizational proposals in the Board's report of 22 May 1964.

b. Mr. Bundy, in a conversation with Mr. McCone sometime last November, indicated his understanding of the importance of preventing the program from becoming the exclusive property of the Air Force, as well as of the implications of the Board's report in terms of their effective exclusion of CIA from the program.

B. Operational History.

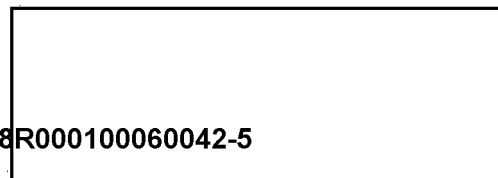
1. Responsibility for the development and operation of the U-2 was assigned to CIA in 1956. Reasons for the assignment were (a) the need for security; (b) CIA's past experience with covert overflights; (c) CIA's experience in the maintenance of covert relations with foreign governments (relevant to the establishment of base rights); and (d) the flexibility provided by the DCI's authority to administer confidential funds on a non-vouchered basis, which substantially expedited completion of the program. In 1958, pending completion of the SAMOS program which had been experiencing substantial stretch-outs and difficulties (and was never successfully flown), the Agency initiated with itek the development of the camera system which ultimately grew into the CORONA program. This system became operational in 1960. Presidential approval for the development of the OXCART system was given in 1959, which should be operational in the fall of 1965 for use in China. Other programs under design by the Agency include ISINGLASS,

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2. Guidance for the purpose of insuring that priority intelligence targets are accommodated in the orbital plan for satellite reconnaissance operations was developed in a satellite operational center, originally

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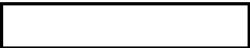

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located at Langley. Approximately two years ago, 
 this center was transferred to the
Pentagon with a view to using it to support all reconnaissance
satellite operational activity. In retrospect, this was a mistake
and there now appears to be unanimity of agreement as between the
Secretary and Deputy Secretary of Defense and CIA that this center
(renamed "Satellite Requirements Program Center") should function
under the control of the DCI.

3. Throughout the history of national reconnaissance activity
the Air Force has provided support including personnel, tankers,
maintenance and, in the satellite field, boosters, tracking and
recovery forces. 



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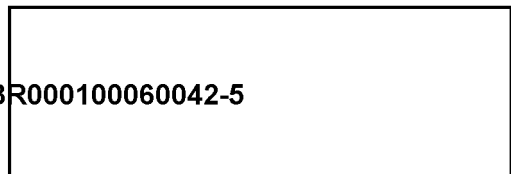
C. Alternative Organizational Possibilities.

1. Alternative organizational proposals include:

**a. Allocation of executive responsibility for reconnaissance
systems to:**

**(1) An existing military service or component of the
Defense Department, or**

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(2) CIA, or

(3) Some new agency to be created along the lines of NSA, or

b. Implementation of the program under the arrangements proposed in the draft agreement submitted by the DCI to the Secretary of Defense which provides for:

(1) The establishment of an Executive Committee responsible for basic policy, budgetary decisions and the broad allocation of program responsibility;

(2) A Director of National Reconnaissance responsible to the Executive Committee for coordination of the program; and

(3) Recognition of the DCI and USIB responsibility for determining intelligence requirements and frequencies for mission coverage.

2. Assignment of exclusive responsibility for all satellite reconnaissance operations to a single service (for example, the Air Force) would be incompatible with the principle which appears to be generally accepted, and is strongly endorsed by the President's Board, to the effect that CIA's technical competence and experience must be preserved as contributing factors in the satellite reconnaissance program. CIA's participation is necessary to insure that development and improvement of reconnaissance systems is fully and exclusively responsive to intelligence needs. Because of its charter responsibilities, CIA, alone among Government agencies, is exclusively concerned with intelligence objectives. CIA participation provides assurance therefore that payload designs will not be diverted or degraded to accommodate non-intelligence gathering purposes. CIA cannot effectively influence the improvement of existing designs or the creation of new systems through the device

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of a small technical staff whose authority is limited to conceptual studies and systems design. CIA's control over systems development under such an arrangement would be ineffectual and totally inadequate. It follows that it would be a mistake to assign to a single (non-intelligence) agency exclusive responsibility for the engineering development, production and procurement of all satellite payloads.

3. Although it has the demonstrated competence to establish the intelligence guidance for satellite operations and to develop satellite payloads, CIA lacks the resources to assume responsibility for the launching, tracking and recovery phases of satellite operations and these should remain the responsibility of the Air Force. Therefore, allocation of an exclusive franchise to CIA for all reconnaissance activity would be neither feasible nor desirable.

4. Creation of a new NSA-type organization responsible for all reconnaissance activity offers few advantages. Implementation of such a proposal could involve the establishment within a new, quasi-autonomous agency of all the facilities and authority necessary to carry out all aspects of the entire reconnaissance program, such as launching, tracking, recovery, and other operational, procurement and R&D facilities, including assumption of CIA's present responsibilities for covert relations with foreign governments in connection with U-2 operations and the DCP's authority to expend unvouchered funds under Public Law 110. Or it could involve retention of some of these responsibilities and facilities in CIA and existing components of DOD. Therefore, this alternative either involves creation of a formidable new agency with far reaching jurisdictional implications in the space, intelligence and R&D fields; or it only serves to complicate rather than resolve the problem of achieving a coordinated program under centralized direction and control.

5. The only satisfactory alternative appears to involve recognition of a national program functioning under the over-all policy guidance of an Executive Committee, along the lines proposed in the draft agreement submitted by the DCI to the Secretary of Defense. Under such an

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arrangement, responsibility for the coordination of the over-all program would be vested in a Director of National Reconnaissance reporting to the Executive Committee. Launching, tracking and recovery and other support facilities would be provided by the appropriate service (presumably the Air Force). Operational responsibility for existing systems would continue under existing arrangements as modified from time to time by decisions of the Executive Committee. Responsibility for the design, development and production of new systems would be allocated by the Executive Committee or would be determined on the basis of the charter interest of the agency to whom responsibility for development is allocated. In the latter case, responsibility for the development of payloads primarily designed for the purpose of acquisition of national intelligence data would be assigned to CIA. Experience in other fields, for example the TALENT system, has proved that it is workable and desirable to have the agency concerned with the exploitation of a system charged with the development of a payload which can be mated and fired from boosters procured and launched under the operational control of a different agency responsible for the operational phases of the program.

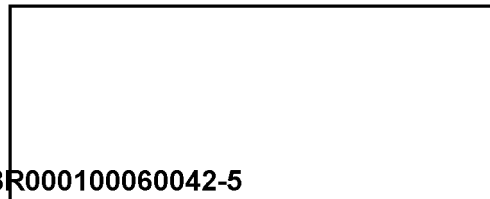
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JOHN A. BROSS
D/DCI/NIPE

JABROSS:ag (12/5/65)

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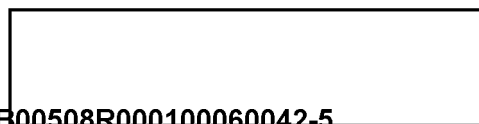
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1964. In essence it concludes:

- a. That the NRP must be conducted as a national effort "through a joint endeavor on the part of DOD, CIA and USIB."
- b. That the DCI has a large and important role in the establishment of intelligence requirements and that under his leadership USIB must provide the necessary base for scheduling and targeting reconnaissance missions.
- c. That fuller use should be made of the potential of CIA in the research field, recognizing that the Agency "has assembled a nucleus of scientific and technological talent . . . which can be brought to bear in introducing more effective means for the collection . . . of intelligence data."
- d. ^{Text} Effective development and conduct of the NRP requires that it be a streamlined operation under strong centralized management and control within DOD.

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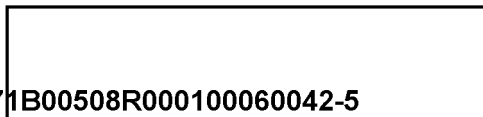
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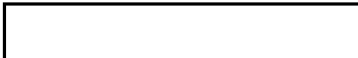
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There appears to be unanimity of agreement as between the Secretary and Deputy Secretary of Defense and CIA that this center (renamed "Satellite Requirements Program Center") should function under the control of the DCI.

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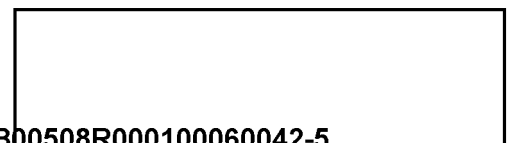


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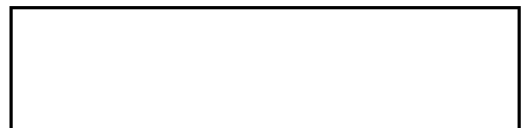
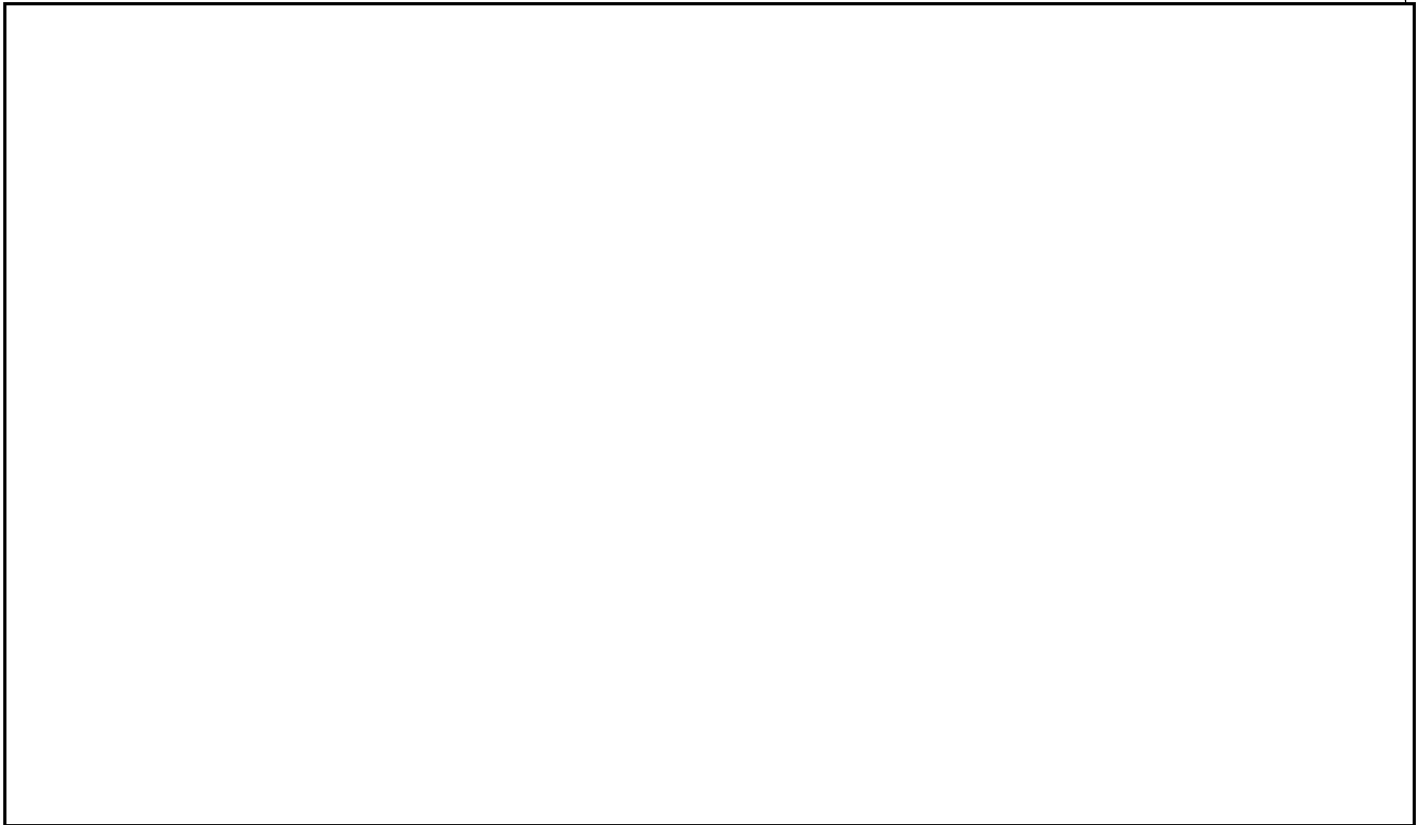
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~~G. Alternative Organizational Possibilities.~~

~~1. Alternative organizational proposals which have been considered include:~~

2. ~~-----~~ ~~ma~~ Assignment of exclusive responsibility for the engineering, development, production, improvement and procurement of all satellite reconnaissance systems to a single service (for example, the Air Force) would effectively exclude CIA from constructive participation in the program. Such a decision would be incompatible with the principle which appears to be generally accepted and is strongly endorsed by the President's Board to the effect that CIA's technical competence and experience must be preserved as contributing factors in the satellite reconnaissance program. CIA's participation is necessary to ensure that development and improvement of reconnaissance systems is fully and exclusively responsive to intelligence needs. Because of its charter responsibilities, CIA, alone among Government agencies, is exclusively concerned with intelligence objectives. CIA participation provides assurance

therefore that payload designs will not be diverted or degraded to accommodate non-intelligence gathering purposes. CIA cannot effectively influence the improvement of existing designs or the creation of new systems through the device of a small technical staff whose authority is limited to conceptual studies and systems design. CIA's control over systems development under such an arrangement would be ineffectual and totally inadequate.

3 — Although it has the demonstrated competence to establish the intelligence guidance for satellite operations and to develop satellite payloads, CIA lacks the resources to assume responsibility for the launching, tracking and recovery phases of satellite operations and these should remain the responsibility of the Air Force. Therefore, allocation of an exclusive franchise to CIA for all reconnaissance activity would not be desirable.

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